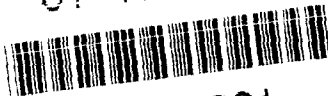


01-16-2003

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Form PTO-1595  
(Rev. 10/02)  
OMB No. 0651-0027 (exp. 6/30/2005)  
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102339261

U.S. DEPARTMENT OF COMMERCE  
U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Ashby Industries, Inc.

1-16-02

Additional name(s) of conveying party(ies) attached?  Yes  No

3. Nature of conveyance:

- Assignment  Merger
- Security Agreement  Change of Name
- Other \_\_\_\_\_

Execution Date: 12/26/2002

2. Name and address of receiving party(ies)

Name: FB Commercial Finance, Inc.

Internal Address: \_\_\_\_\_

Street Address: 11901 Olive Boulevard

City: St. Louis State: MO Zip: 63141

Additional name(s) & address(es) attached?  Yes  No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: \_\_\_\_\_

A. Patent Application No.(s) \_\_\_\_\_

B. Patent No.(s) \_\_\_\_\_

See attached Schedule I

Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: \_\_\_\_\_

**RETURN TO:**  
**FEDERAL RESEARCH CORP**  
**1030 15<sup>TH</sup> STREET NW**  
**SUITE 920**  
**WASHINGTON DC 20005**

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

6. Total number of applications and patents involved:  4

7. Total fee (37 CFR 3.41).....\$ 160.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_

DO NOT USE THIS SPACE

9. Signature.

Sharon S. Patterson

Name of Person Signing

*Sharon S. Patterson*

Signature

01/13/2003

Date

Total number of pages including cover sheet, attachments, and documents:  8

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments  
Washington, D.C. 20231

01/17/2003 GTDM11 00000047 6119646

01 FC:8021

160.00 DP

PATENT  
REEL: 013653 FRAME: 0311

**SCHEDULE 1**

**PATENTS**

<b>Country</b>	<b>Title</b>	<b>Reg. No.</b>	<b>Reg. Date</b>	<b>Status</b>
U.S.	Continuous Bleaching Kier	5,119,646	6/9/92	Reg.
U.S.	Continuous Fabric Detwister	5,271,131	12/21/93	Reg.
U.S.	Continuous Fabric Detwister	5,918,353	7/6/99	Reg.
U.S.	Fabric Detwister Cylinder Apparatus	6,363,701	4/2/02	Reg.

## PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (the "Agreement") made as of this 26<sup>th</sup> day of December, 2002, by ASHBY INDUSTRIES, INC., a Virginia corporation ("Grantor") in favor of FB COMMERCIAL FINANCE, INC., a Missouri corporation ("Grantee"):

### W I T N E S S E T H

WHEREAS, Tubular Textile LLC, an affiliate of Grantor ("TubeTex"), and Grantee are parties to a certain Credit and Security Agreement of even date herewith (as the same may be amended or otherwise modified from time to time, the "Credit Agreement"), providing for extensions of credit to be made to TubeTex by Grantee; and

WHEREAS, pursuant to the terms of the Credit Agreement, Grantor has guaranteed TubeTex's obligations under the Credit and Security Agreement (the "Guaranty") and granted to Grantee a security interest, pursuant to the terms of that certain Security Agreement dated of even date herewith by and among Grantor, certain affiliates of Grantor and Grantee (as the same may be amended, supplemented or otherwise modified, the "Security Agreement"), in substantially all of the assets of Grantor including all right title and interest of Grantor in, to and under all now owned and hereafter acquired or arising (a) patents and patent applications and the inventions and improvements described and claimed therein, and patentable inventions; (b) the reissues, divisions, continuations, renewals, extensions and continuations-in-part of any of the foregoing; (c) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing, under licenses of the foregoing, or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing; (d) the right to sue for past, present and future infringements of any of the foregoing; and (e) all rights corresponding to any of the foregoing throughout the world (collectively, "Patents") and all products and proceeds thereof, to secure the payment of all amounts owing by Grantor under the Guaranty;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Grantor agrees as follows:

1. Incorporation of Credit Agreement. The Credit Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Credit Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Secured Obligations (as such term is defined in the Security Agreement), Grantor hereby grants to Grantee and hereby reaffirms its prior grant pursuant to the Security Agreement of, a continuing (until all of the Secured Obligations have been paid in full and the commitments of Grantee under the Credit Agreement to lend have been terminated) security interest in Grantor's entire right, title and

interest in and to the following (all of the following items or types of property being herein collectively referred to as the "Patent Collateral"), whether now owned or existing and hereafter acquired or arising:

(i) each Patent and application for Patent listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof; and

(ii) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future infringement of any Patent.

3. Warranties and Representations. Grantor warrants and represents to Grantee that:

(i) Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Patent, free and clear of any liens, charges and encumbrances, including without limitation licenses, shop rights and covenants by Grantor not to sue third persons (except for any licenses as may be contained in any lease agreement relating to compactors leased by Grantor to its customers);

(ii) Grantor has no written notice of any suits or actions commenced or threatened with reference to any Patent; and


(iii) Grantor has the limited liability company power and authority to execute and deliver this Agreement and perform its terms.

4. Restrictions on Future Agreements. Grantor agrees that until Grantor's Secured Obligations shall have been satisfied in full and Grantee's commitments under the Credit Agreement to lend have terminated, Grantor shall not, without the prior written consent of Grantee (which consent shall not be unreasonably withheld or delayed), sell or assign its interest in, or grant any license under, any Patent or enter into any other agreement with respect to any Patent, and Grantor further agrees that it shall not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Grantee under this Agreement; provided, however, that Grantor may sell or assign its interests in any Patent or abandon any Patent which is not necessary to the conduct of Grantor's business without the consent of Grantee so long as no Default or Event of Default has occurred and is continuing.

5. New Patents. If, before Grantor's Secured Obligations shall have been satisfied in full or before Grantee's commitments under the Credit Agreement to lend shall have terminated, Grantor shall (i) become aware of any existing Patents of which Grantor has not previously informed Grantee, (ii) obtain rights to any new patentable inventions or Patents, or (iii) become entitled to the benefit of any Patents, which benefit is not in existence on the date hereof, the provisions of this Agreement above shall automatically apply thereto and Grantor

IN WITNESS WHEREOF, Grantor has duly executed this Agreement as of the date first written above.

ASHBY INDUSTRIES, INC.

By:   
\_\_\_\_\_  
William L. Willhite  
Vice President and Treasurer

Agreed and Accepted  
As of the Date First Written Above

FB COMMERCIAL FINANCE, INC.

By: \_\_\_\_\_  
Phillip M. Lykens  
Senior Vice President

IN WITNESS WHEREOF, Grantor has duly executed this Agreement as of the date first written above.

ASHBY INDUSTRIES, INC.

By: \_\_\_\_\_

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Vice President and Treasurer

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As of the Date First Written Above

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By:  \_\_\_\_\_

Phillip M. Lykens  
Senior Vice President

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